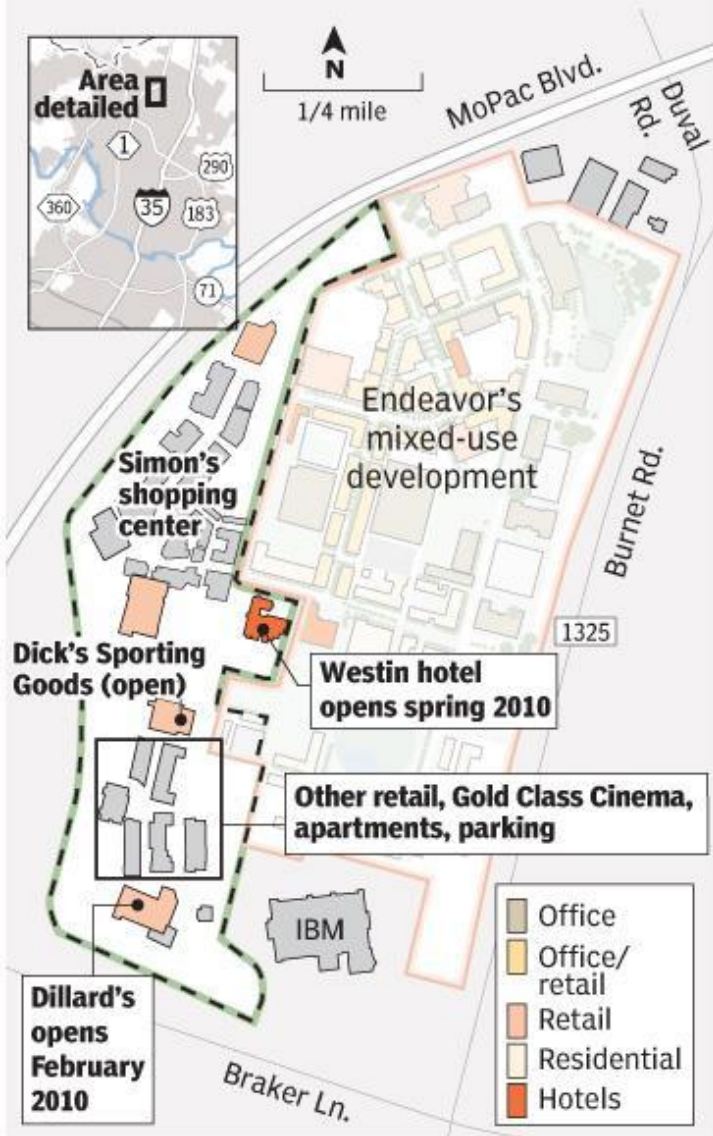


## Domain update

Expansion set to open next year



AMERICAN-STATESMAN



## **Coming soon: Part II of the Domain**

**Expansion under way will add 600,000 square feet of retail, office, living space by next year**

By Ameera Butt  
AMERICAN-STATESMAN STAFF  
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Simon Property Group Inc. showed off the still-under-construction expansion of its Domain shopping center in North Austin on Wednesday. The 600,000-square-foot expansion is the biggest retail project under construction in Austin.

The expansion will include a new Dillard's, smaller retailers and office space, and a Gold Class Cinema, an upscale movie theater where tickets will sell for about \$20 apiece.

Dick's Sporting Goods, one of the new anchors, is already open, as are 438 apartments above the stores. Most of the other components will open in February. The Westin Austin hotel at the Domain is scheduled to open in March.

The movie theater will be the fifth U.S. location for Village Roadshow Ltd., which operates theaters in Australia, Asia and Europe.

Moviegoers can reserve seats in theaters that hold a maximum of 40 people. In an upscale version of the Alamo Drafthouse concept, customers may order food and drinks from reclining seats while they watch the movie. Menu prices at other Gold Class theaters range from \$8 for appetizers to \$19 for a steak sandwich.

"Our guests often make the comparison that going to the movies at Gold Class is like flying first class," said Tim Carroll, global chief marketing officer for the Melbourne, Australia-based company.

Whereas the original Domain is filled with high-end stores such as Neiman Marcus and Louis Vuitton, the expansion will include familiar mall brands such as A&P, Aeropostale, Bath & Body Works and Payless Shoes.

The 208,000-square-foot Dillard's will be the retailer's first new Austin store in more than a decade.

Dillard's has said it plans to close its Highland Mall stores but is entangled in a lawsuit with the mall's owners, Simon and General Growth Properties Inc. Julie Bull, a Dillard's spokeswoman, did not return calls and e-mails about its current plans.

Aside from the Simon project, there is little other retail development going on in Central Texas. The recession, retail downturn and slowdown in the lending markets for commercial projects has stalled or shelved other projects. Austin is on track to add about 1.2 million square feet of retail space this year, down from 2.8 million square feet in 2008, according to the Weitzman Group, a Dallas-based retail brokerage firm.

One of the highest-profile delays has been for the retail phase of Endeavor Real Estate Group's Domain project, which is just east of Simon's Domain. Endeavor plans to add a Whole Foods Market, Saks and Austin's second Nordstrom to its development but postponed the retail phase this year because of the downturn. Recently, Endeavor said it would be at least three more years before that work starts.

September, however, brought news of the region's first major retail project to be announced in nearly three years, the Trails at 620, a \$70 million, 300,000-square-foot center planned at RM 620 and Wilson Parke Avenue. Pending City of Austin approval of a site-development permit, the developers, Rodney Speaks and Leslie Perry Sloan, hope to break ground by June and anticipate a summer 2011 opening.

Jeff Townsend, who heads the Austin office of Edge Realty Partners, which is recruiting retailers for the project, said it was "probably the only new development in Austin of its size" that is expected to get built over the next couple of years.

**Courtesy of JB Goodwin**